

qualify as well. In a statement on the Senate floor, one of the Senate negotiators, Finance Chairman CHUCK GRASSLEY, expressed reservation that shareholders of foreign corporations that had completed inversions to tax havens would benefit from this new rate.

I share that reservation. That is why today I am filing legislation to close several loopholes in this provision.

My legislation would amend Section 1 of the Internal Revenue Code to provide that dividends from certain foreign corporations which are not subject to an entity-level tax would not be eligible for the special, lower rate of tax. Since 2003, some banks have promoted "hybrid" debt instruments from foreign corporations as they may qualify for the special rate. Now, these hybrid instruments appear to be debt in the host foreign country, so the entity actually takes a deduction as if it was an interest payment. But in the U.S., they are classified as equity so the "dividend" may be eligible for the special, lower rate of tax. Clearly, this was not intended by Congress and needs to be shut down.

My bill also disallows the preferential dividend rate if the payment is received from an entity not subject to or is exempt from corporate tax in the foreign country. And, if the entity is a passive foreign investment company, or PFIC, this bill would not allow the special dividend rate even if the entity was also classified as a controlled foreign corporation, or CFC. Currently, another section of the Code treats a foreign corporation that is both a CFC and a PFIC as only a CFC, inadvertently undermining the current PFIC limitation in Section 1. My bill would ensure that this tighter works as intended.

Finally, the current law allows dividends from foreign corporations with stock registered on a U.S. exchange to be eligible for the enhanced dividend rate. Of course, if companies are headquartered in a tax haven, then there is little or no corporate level tax paid. So, my bill would provide that only dividends from foreign companies which are located in countries with a comprehensive income tax and which are traded on a U.S. exchange may qualify. This section is modeled after another section in current law providing the special rate for dividends from companies located in countries which the Secretary of Treasury determines has a comprehensive income tax treaty.

I believe these changes carry out the original intent of the President and Congress in attempting to limit double taxation. In each of these circumstances, double taxation does not exist. Whether one supported the 2003 rate cut on dividends or not, we should all support reasonable changes to current law to make sure tax benefits only accrue to those intended. I urge my fellow colleagues to support this bill.

ANIMAL FIGHTING PROHIBITION ENFORCEMENT ACT—SUPPORT

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, March 23, 2007

Mr. RANGEL. Madam Speaker, I rise today to express my full support for H.R. 137, the Animal Fighting Prohibition Enforcement Act. I join my other colleagues from both sides of

the aisle, animal rights organizations, and local law enforcement agencies to address the inhumane treatment of animals.

This bill has received widespread support for several reasons. First, animal fighting is terribly wrong. It is simply inappropriate and unacceptable for animals to be trained to attack and kill each other for the sole purpose of entertainment and illegal gambling. Use of animals in this manner is not only inhumane, but downright primitive and ugly. People who participate in these unlawful activities should be caught and punished.

Second, this bill will help to deter animal fighting by strengthening the penalties for those who are involved in the various aspects of animal fights. For too long the punishment has been too lenient. It is important to send a message that these cruel acts against animals will not be tolerated.

Third, the State laws will be in alignment with Federal laws. Progress has been made since the enactment of federal animal fighting laws in 1976. Currently, dog fighting is a felony in 48 States and cockfighting a felony in 33 states. Laws are needed at both the State and local levels to ensure decreases in dog fighting and animal cruelty.

I urge other colleagues to support this bill. I applaud the work done by animal rights organizations and law enforcement agencies to assist with protecting animals from inhumane treatment.

PERSONAL EXPLANATION

HON. EDDIE BERNICE JOHNSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, March 23, 2007

Ms. EDDIE BERNICE JOHNSON of Texas. Mr. Speaker, due to sickness, I was unable to vote during the following rollcall votes, had I been present I would have voted: "yea" on rollcall No. 179, On Ordering the Previous Question, Providing for the consideration of H.R. 1433 District of Columbia House Voting Rights Act; "aye" on rollcall No. 180, On Agreeing to the Resolution, Providing for the consideration of H.R. 1433; District of Columbia House Voting Rights Act; "yea" on rollcall No. 181, On Motion to Suspend the Rules and Agree, Use of Rotunda for Holocaust Days of Remembrance Ceremony; "yea" on rollcall No. 183, On Motion to Suspend the Rules and Pass, as Amended, Native American Methamphetamine Enforcement and Treatment Act of 2007; and "aye," on rollcall No. 184, On Approving the Journal.

INTRODUCTION OF THE VOTE BY MAIL ACT OF 2007

HON. SUSAN A. DAVIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 23, 2007

Mrs. DAVIS of California. Madam Speaker, I rise today to introduce the Vote by Mail Act of 2007—a bill to provide grants to states to help them offset the costs of adopting Vote by Mail election systems and to study the benefits of those Vote by Mail election systems.

While I love the ritual of going to the polls to vote, I know that getting to the polls on

Election Day is often difficult. For some, it's impossible. And for some elections, it simply does not make sense to open the polls.

That is why I have introduced a bill that builds upon the growing trend of states to bring the polls to the voters. I believe we should try to meet our constituents halfway by increasing access to the electoral process.

Oregon, the only State to adopt Vote by Mail, historically has one of the highest voter participation rates in the country. Oregon has also dramatically decreased its costs.

Under current law, certain States and jurisdictions may conduct certain elections by mail but only under limited circumstances and they are not given Federal funding to make that adjustment to vote by mail.

This bill would help States who want to conduct Vote by Mail elections by creating an \$18 million, 3-year grant program to provide a portion of the funds they need.

Under this bill, States would have the option of adopting Vote by Mail statewide, within a group of selected counties, or even in a single county.

Further, this bill instructs the Government Accountability Office (GAO) to conduct a very important study.

With the popularity of Vote by Mail increasing dramatically, it is crucial that we invest in some valuable research to learn about its benefits, find remedies for any problems and share best practices.

This bill will instruct the GAO to compare traditional voting methods with Vote by Mail with respect to: the likelihood of fraud and misconduct; the accuracy of voter rolls and election results; voter participation in urban and rural communities and by minorities, language minorities, individuals with disabilities, individuals who are homeless, and individuals who move frequently; residual vote rates, broken out by voter age, education, income, race, or ethnicity or whether a voter lives in an urban or rural community, is disabled, or is a language minority; public confidence in the election system; and cost savings.

As the former president of the League of Women Voters of San Diego, I care deeply about the integrity of our electoral system and the rate of participation among our citizens.

I ask my colleagues on both sides of the aisle to join me in supporting this effort to strengthen the democratic process and give elections officials and voters the options and support they deserve.

RECOGNIZING THE SERVICE AND ACHIEVEMENTS OF GARRETT W. WALTON

HON. JEFF MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 23, 2007

Mr. MILLER of Florida. Madam Speaker, on behalf of the United States Congress, it is an honor for me to rise today to recognize the significant impact Garrett W. Walton has made on the communities of northwest Florida.

In 1977, Garrett Walton moved to Pensacola, Florida, where his law career commenced as an associate and then a principal with the law firm of Emmanuel, Sheppard, and Condon. After 17 years, Mr. Walton retired from law practice, but he has continued fulfilling his passion for serving the community through his widespread involvement.